



COUNCIL CHAMBERS
17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

COUNCIL MEMBERS

Steve Tate, Mayor
Larry Carr, Mayor Pro Tempore
Mark Grzan, Council Member
Marby Lee, Council Member
Greg Sellers, Council Member

REDEVELOPMENT AGENCY

Steve Tate, Chair
Larry Carr, Vice-Chair
Mark Grzan, Agency Member
Marby Lee, Agency Member
Greg Sellers, Agency Member

WEDNESDAY, DECEMBER 20, 2006

AGENDA

JOINT MEETING

CITY COUNCIL SPECIAL & REGULAR MEETING

AND

REDEVELOPMENT AGENCY REGULAR MEETING

6:00 P.M.

*A Special Meeting of the City Council is Called at 6:00 P.M. for
the Purpose of Conducting Closed Sessions.*

Steve Tate, Mayor/Chairman

CALL TO ORDER

(Mayor/Chairperson Tate)

ROLL CALL ATTENDANCE

(City Clerk/Agency Secretary Torrez)

DECLARATION OF POSTING OF AGENDA

Per Government Code 54954.2

(City Clerk/Agency Secretary Torrez)

6:00 P.M.

City Council Action

CLOSED SESSION:

1.

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Authority: Government Code Sections 54956.9(b) & (c)
Number of Potential Cases: 1

2.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Authority: Government Code section 54956.9(a)
Case Name: Moniz v. City of Morgan Hill
Case Number: County of Santa Clara No. 1-05-CV-053742
Attendees: City Manager; City Attorney; Special Counsel Mark Strombotne

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

RECONVENE

CLOSED SESSION ANNOUNCEMENT

7:00 P.M.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

PRESENTATION

Acceptance of PG&E Check to Morgan Hill Economic Development Partnership
Dan Ehrler, Executive Director, Chamber of Commerce

PROCLAMATIONS

RECOGNITIONS

CITY COUNCIL REPORT

Mayor Tate

CITY COUNCIL COMMITTEE REPORTS

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

OTHER REPORTS

PUBLIC COMMENT

NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.

(See notice attached to the end of this agenda.)

**PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA WILL BE TAKEN AT THE TIME
THE ITEM IS ADDRESSED BY THE COUNCIL. PLEASE COMPLETE A SPEAKER CARD AND
PRESENT IT TO THE CITY CLERK.**

(See notice attached to the end of this agenda.)

**PLEASE SUBMIT WRITTEN CORRESPONDENCE TO THE CITY CLERK/AGENCY SECRETARY. THE
CITY CLERK/AGENCY SECRETARY WILL FORWARD CORRESPONDENCE TO THE CITY
COUNCIL/REDEVELOPMENT AGENCY.**

City Council and Redevelopment Agency Action

ADOPTION OF AGENDA

City Council Action

CONSENT CALENDAR:

ITEMS 1-21

The Consent Calendar may be acted upon with one motion, a second and the vote, by each respective Agency. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

Time Estimate

Page

Consent Calendar: 1 - 10 Minutes

1. **APPOINTMENT TO FILL A VACANCY ON THE PARKS & RECREATION COMMISSION 1**
Recommended Action(s): **Consider** and **Ratify** the Mayor's Appointment of Alan Clark to Serve an Unexpired Term on the Parks & Recreation Commission; Term Ending April 1, 2007.
2. **2006-2007 HAZARDOUS VEGETATION PROGRAM 7**
Recommended Action(s): **Adopt** Resolution Declaring Weeds and Brush to be a Nuisance and Setting January 17, 2007 as the Date for the Public Hearing Regarding Weed Abatement, and June 6, 2007 as the Date for the Public Hearing Regarding Brush Abatement.
3. **NEW LIBRARY PROJECT – NOVEMBER CONSTRUCTION PROGRESS REPORT 11**
Recommended Action(s): **Information** only.
4. **NOVEMBER 2006 FINANCE & INVESTMENT REPORT - CITY 19**
Recommended Action(s): **Accept** and **File** Report.
5. **55+ SENIOR PROGRAMMING AT CENTENNIAL RECREATION CENTER 45**
Recommended Action(s): **Authorize** the Senior Advisory Commission to Move Forward with Proposed Plans to Increase 55+ Senior Programming at the Centennial Recreation Center.

Time Estimate

Page

Consent Calendar: 1 - 10 Minutes

6. **AB1600 DEVELOPMENT IMPACT FEE REPORT FOR FISCAL YEAR 2005-2006..... 49**
Recommended Action(s):
 1. **Make** the Following Findings Regarding Development Impact Fees Held by the City at June 30, 2006, as Described in Exhibit A:
 - a) **Identify** the Purpose of Each Fund;
 - b) **Demonstrate** Reasonable Relationship Between Each Fee and Purpose for Which it is Charged;
 - c) **Identify** All Sources of Funding Anticipated to Complete Financing for all Incomplete Improvements;
 - d) **Designate** Appropriate Dates on Which Funding for Projects is Expected to be Received; and
 2. **Accept** and **File** the AB1600 Development Impact Fee Report for the 2005-2006 Fiscal Year.

7. **USED MOTOR OIL CONTAINER PURCHASE 65**
Recommended Action(s): **Authorize** City Manager to Issue a Purchase Order for the Purchase of Used Motor Oil Containers from Weisenbach Specialty Printing.

8. **ACCEPTANCE OF COYOTE CREEK TRAIL CONNECTION PROJECT 67**
Recommended Action(s):
 1. **Accept** as Complete the Coyote Creek Trail Connection Project in the Final Amount of \$31,937; and
 2. **Direct** City Clerk to File the Notice of Completion with the County Recorder's Office.

9. **ACCEPTANCE OF SUBDIVISION IMPROVEMENTS FOR TRACT 9601, MORGAN LANE PHASE IV 71**
Recommended Action(s):
 1. **Adopt** Resolution Accepting the Subdivision Improvements Included in Tract 9601, Commonly Known as Morgan Lane Phase IV; and
 2. **Direct** City Clerk to File a Notice of Completion with the County Recorder's Office.

10. **ACCEPTANCE OF SUBDIVISION IMPROVEMENTS FOR TRACT 9586, BARRETT PLACE 77**
Recommended Action(s):
 1. **Adopt** Resolution Accepting the Subdivision Improvements Included in Tract 9586, Commonly Known as Barrett Place; and
 2. **Direct** City Clerk to File a Notice of Completion with the County Recorder's Office.

11. **APPROVAL FOR SUBDIVISION IMPROVEMENT AGREEMENT FOR LANDS OF AHMADI (APN 817-59-052)..... 83**
Recommended Action(s): **Authorize** City Manager to Sign a Subdivision Improvement Agreement on Behalf of the City; Subject to Review and Approval by the City Attorney.

12. **REIMBURSEMENT FOR MONTEREY ROAD MEDIAN IMPROVEMENTS BY KEN MORENO 87**
Recommended Action(s):
 1. **Appropriate** \$77,305 from the Current Year Un-Appropriated Traffic Impact Fee for this Reimbursement; and
 2. **Authorize** Reimbursement of \$77,305 for Construction of Monterey Road Median Improvements by Ken Moreno.

13. **APPROVE PURCHASE ORDER FOR SEWAGE SUBMERSIBLE PUMPS AT "F" AND "G" LIFT STATIONS..... 91**
Recommended Action(s): **Approve** Purchase of Three Sewage Submersible Pumps in the Amount of \$31,235.42.

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
14.	<u>AMENDED SUBSEQUENT DEVELOPMENT REIMBURSEMENT AGREEMENT WITH LATALA FAMILY LP FOR LANDS OF LATALA</u> <u>Recommended Action(s):</u> Approve Amended Subsequent Development Reimbursement Agreement and Authorize the City Manager to Execute the Agreement on Behalf of the City; Subject to Review and Approval by the City Attorney.	95
15.	<u>REVIEW OF ABAG DRAFT REGIONAL HOUSING NEEDS ALLOCATION METHODOLOGY</u> <u>Recommended Action(s):</u> Direct Mayor to Send a Letter to ABAG Endorsing Draft Allocation Methodology.	103
16.	<u>EMERGENCY PURCHASE BY PURCHASING OFFICER</u> <u>Recommended Action(s):</u> File the Purchasing Officer's Report Concerning the Necessity of a Prior Emergency Expenditure for the Aquatics Center.	111
17.	<u>ADOPT ORDINANCE NO. 1809, NEW SERIES</u> <u>Recommended Action(s):</u> Waive the Reading, and Adopt Ordinance No. 1809, New Series, and Declare That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL TO AMEND THE ZONING DESIGNATION FROM CO (ADMINISTRATIVE OFFICE) TO CG (GENERAL COMMERCIAL) ON A 0.93-ACRE PARCEL (APN 767-17-051) LOCATED ON THE WEST SIDE OF MONTEREY ROAD BETWEEN SPRING AND COSMO AVENUES. (ZONING AMENDMENT APPLICATION NO. ZA-06-15: MONTEREY – AZAR)	113
18.	<u>ADOPT ORDINANCE NO. 1810, NEW SERIES</u> <u>Recommended Action(s):</u> Waive the Reading, and Adopt Ordinance No. 1810, New Series, and Declare That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING AN AMENDMENT TO THE PRECISE DEVELOPMENT PLAN FOR 955 OAK PARK DRIVE IN THE EL TORO OAKS RESIDENTIAL PLANNED DEVELOPMENT LOCATED ON THE WEST SIDE OF DEWITT AVENUE, APPROXIMATELY 100 FEET SOUTH OF W. DUNNE AVENUE, TO ALLOW FOR SECOND STORY REAR FRENCH DOORS WITH A WALLED PLATFORM CONSTRUCTED TO A DEPTH NO GREATER THAN REQUIRED BY BUILDING CODE TO ALLOW THE FRENCH DOORS TO FULLY OPEN. (APN 773-08-043)(ZAA-00-14: OAK PARK – GENTILE)	119
19.	<u>ADOPT ORDINANCE NO. 1811, NEW SERIES</u> <u>Recommended Action(s):</u> Waive the Reading, and Adopt Ordinance No. 1811, New Series, and Declare That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AMENDING TITLE 18, THE ZONING CODE BY ADDING CHAPTER 18.25 CL-R LIGHT COMMERCIAL-RESIDENTIAL ZONING DISTRICT. (ZA-06-03:CITY OF MORGAN HILL-LIGHT COMMERCIAL RESIDENTIAL ZONING DISTRICT)	123

Time Estimate

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Consent Calendar: 1 - 10 Minutes

20. **ADOPT ORDINANCE NO. 1812, NEW SERIES**131
Recommended Action(s): **Waive** the Reading, and **Adopt** Ordinance No. 1812, New Series, and **Declare** That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AMENDING THE ZONING DESIGNATION FROM CO, ADMINISTRATIVE OFFICE, TO CL-R LIGHT COMMERCIAL RESIDENTIAL ON SEVEN PARCELS TOTALING 8.82 ACRES (APNS 726-24-018 & 019, 767-17-046 & 047, 817-02 036, 037 & 051) AND AMENDING THE ZONING DESIGNATION FROM CG, GENERAL COMMERCIAL TO CL-R LIGHT COMMERCIAL RESIDENTIAL ON FIFTY SEVEN PARCELS TOTALING 34.34 ACRES (APNS 726-24-013 THRU 017 & 021, 764-13-020, 022 THRU 025 & 044 THRU 049, 766-25-001, 002, 004, 005, 767-18-002, 005, 019, 020, 021, 027, 031, 032, 035, 036, 039, 046 & 050, 817-01-002 THRU 007, 817-02-014 THRU 020 & 025, 817-03-002 THRU 010, 050 & 054) (ZA-06-03:CITY OF MORGAN HILL-LIGHT COMMERCIAL RESIDENTIAL ZONING DISTRICT)**
21. **ADOPT ORDINANCE NO. 1813, NEW SERIES**139
Recommended Action(s): **Waive** the Reading, and **Adopt** Ordinance No. 1813, New Series, and **Declare** That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AMENDING CHAPTER 18.04 DEFINITIONS OF THE MORGAN HILL MUNICIPAL CODE. (ZA-06-03:CITY OF MORGAN HILL-LIGHT COMMERCIAL RESIDENTIAL ZONING DISTRICT)**

Redevelopment Agency Action

CONSENT CALENDAR:

ITEMS 22-23

Time Estimate

Page

Consent Calendar: 1 - 10 Minutes

22. **AMENDMENT TO AGREEMENT WITH THE MORGAN HILL DOWNTOWN ASSOCIATION (MHDA)** 185
Recommended Action(s): **Authorize** Executive Director to do Everything Necessary and Appropriate to **Amend** the Agreement with the MHDA to Extend the Deadline to February 28, 2007 for the MHDA to Form a Property Based Improvement District (PBID) Board and Prepare the PBID Scope of Work for Agency Approval; Subject to Review and Approval by Agency Counsel.
23. **NOVEMBER 2006 FINANCE & INVESTMENT REPORT - RDA** 189
Recommended Action(s): **Accept** and **File** Report.

City Council and Redevelopment Agency Action

CONSENT CALENDAR:

ITEMS 24-25

	Time Estimate		Page
	Consent Calendar: 1 - 10 Minutes		
24.		<u>ANNUAL FINANCIAL REPORTS FOR FISCAL YEAR 2005-2006</u>	199
		<u>Recommended Action(s):</u>	
		<u>City Council Action:</u>	
		1. <u>Accept</u> and <u>File</u> the Comprehensive Annual Financial Report and the Single Audit Report for Fiscal Year 2005-2006.	
		<u>Redevelopment Agency Action:</u>	
		2. <u>Accept</u> and <u>File</u> the Financial Statements for the Redevelopment Agency for Fiscal Year 2005-2006.	
25.		<u>APPROVE JOINT REGULAR CITY COUNCIL, REGULAR REDEVELOPMENT AGENCY, AND REGULAR MORGAN HILL WASTEWATER FACILITIES FINANCING CORPORATION MEETING MINUTES OF DECEMBER 6, 2006</u>	201

City Council Action

PUBLIC HEARINGS:

	Time Estimate		Page
26.	7 Minutes	<u>ZONING AMENDMENT, ZA-06-10/DEVELOPMENT AGREEMENT, 05-09: DEL MONTE – GIOVANNI</u>	203
		Public Hearing Opened.	
		Please Limit Your Remarks to 3 Minutes. Public Hearing Closed	
		Council Discussion.	
		Action- <u>Adopt</u> Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program (MMRP).	
		Action- <u>Motion to Waive</u> the Reading in Full of Zoning Amendment Ordinance.	
		Action- <u>Motion to Introduce</u> Zoning Amendment Ordinance by Title Only. (Roll Call Vote)	
		Action- <u>Motion to Waive</u> the Reading in Full of Development Agreement Ordinance.	
		Action- <u>Motion to Introduce</u> Development Agreement Ordinance by Title Only. (Roll Call Vote)	

City Council Action

OTHER BUSINESS:

	Time Estimate		Page
27.	15 Minutes	<u>FRIENDS OF THE MORGAN HILL LIBRARY ART REPORT</u> <u>Recommended Action(s):</u> <u>Receive</u> a Presentation from Friends Representatives Regarding Proposed Art Work and <u>Approve</u> the Projects for Inclusion in the New Library Building Project.	243
28.	15 Minutes	<u>ASSISTANCE TO BUSINESSES IMPACTED BY THE CONSTRUCTION OF PUBLIC IMPROVEMENTS IN THE DOWNTOWN AREA</u> <u>Recommended Action(s):</u> <u>Consider</u> Proposal by Council Member Sellers.	253

City Council and Redevelopment Agency Action

OTHER BUSINESS:

	Time Estimate		Page
29.	10 Minutes	<u>INNOVATIVE APPROACH FOR THE REDUCTION OF TRAFFIC AND SEWER IMPACT FEES</u> <u>Recommended Action(s):</u> <u>Direct</u> Staff to <u>Prepare</u> the Appropriate Resolutions and Findings to Implement this Concept for Consideration at a Public Hearing to be Scheduled at a January 2007 City Council and Redevelopment Agency Meeting.	255

FUTURE COUNCIL-INITIATED AGENDA ITEMS:

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

ADJOURNMENT

PUBLIC COMMENTS ON ITEMS *NOT* APPEARING ON AGENDA

Following the opening of Council/Agency business, the public may present comments on items *NOT* appearing on the agenda that are within the Council's/Agency's jurisdiction. Should your comments require Council/Agency action, your request will be placed on the next appropriate agenda. No Council/Agency discussion or action may be taken until your item appears on a future agenda. You may contact the City Clerk/Agency Secretary for specific time and dates. This procedure is in compliance with the California Public Meeting Law (Brown Act) G.C. 54950.5. Please limit your presentation to three (3) minutes.

PUBLIC COMMENTS ON ITEMS APPEARING ON AGENDA

The Morgan Hill City Council/Redevelopment Agency welcomes comments from all individuals on any agenda item being considered by the City Council/Redevelopment Agency. Please complete a Speaker Card and present it to the City Clerk/Agency Secretary. This will assist the Council/Agency Members in hearing your comments at the appropriate time. Speaker cards are available on the table in the foyer of the Council Chambers. In accordance with Government Code 54953.3 it is not a requirement to fill out a speaker card in order to speak to the Council/Agency. However, it is very helpful to the Council/Agency if speaker cards are submitted. As your name is called by the Mayor/Chairman, please walk to the podium and speak directly into the microphone. Clearly state your name and address and then proceed to comment on the agenda item. In the interest of brevity and timeliness and to ensure the participation of all those desiring an opportunity to speak, comments presented to the City Council/Agency Commission are limited to three minutes. We appreciate your cooperation.

NOTICE

AMERICANS WITH DISABILITIES ACT (ADA)

The City of Morgan Hill complies with the Americans with Disability Act (ADA) and will provide reasonable accommodation to individuals with disabilities to ensure equal access to all facilities, programs and services offered by the City. If you need special assistance to access the meeting room or to otherwise participate at this meeting, including auxiliary aids or services, please contact the Office of the City Clerk/Agency Secretary at City Hall, 17555 Peak Avenue or call 779-7259 or (Hearing Impaired only - TDD 776-7381) to request accommodation. Please make your request at least 48 hours prior to the meeting to enable staff to implement reasonable arrangements to assure accessibility to the meeting.

If assistance is needed regarding any item appearing on the City Council/Agency Commission agenda, please contact the Office of the City Clerk/Agency Secretary at City Hall, 17555 Peak Avenue or call 779-7259 or (Hearing Impaired only - TDD 776-7381) to request accommodation.

NOTICE

Notice is given, pursuant to Government Code Section 65009, that any challenge of Public Hearing Agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the City Council/Agency Commission at, or prior to the Public Hearing on these matters.

NOTICE

The time within which judicial review must be sought of the action by the City Council/Agency Commission which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.